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SUBJECT: CODEL BERMAN MEETING WITH MACAU SECRETARY FOR
ADMINISTRATION AND JUSTICE FLORINDA CHAN

REF: HONG KONG 1587

(U) Sensitive but unclassified -- please protect accordingly.
Not for dissemination outside USG channels.

¶1. (SBU) Summary: In their August 23 courtesy call with Macau Secretary for Justice and Administration Florinda Chan, CoDel Berman discussed international financial crimes and implementation of UN Security Council Resolutions on the DPRK. The delegation also discussed Macau's political development and the rule of law. End summary.

¶2. (SBU) Welcoming CoDel Berman to Macau for a courtesy call August 23, Secretary for Justice and Administration Florinda Chan outlined recent steps Macau has taken to step up its ability to combat international financial crimes. Chan praised the assistance received from the United States in developing Macau's 2006 anti-money laundering law. Since then, Macau has worked to implement recommendations from the Financial Action Task Force and other international standards, including establishing a financial intelligence unit.

¶3. (SBU) Asked by Rep. Kingston whether Macau had a threshold for reporting cash transactions, Chan said Macau was actively studying regional and international practice. (Note: Macau does in fact have an MOP 500,000 (about USD 64,500) transaction reporting requirement. End note.) Chan also addressed Kingston's question about data privacy by explaining Macau law allows for reporting and investigation of suspicious transactions, but on a confidential basis that protects individual privacy. Rep. Hinojosa asked about Macau's ability to share information to combat tax evasion, to which Secretary Chan replied that Macau's Legislative Assembly had passed legislation on double taxation at the end of July that allows sharing of tax information. Chairman Berman asked whether Macau was implementing UNSCRs on the DPRK, and Secretary Chan assured him that, as the PRC adopted the resolutions (the central government manages Macau's foreign relations), Macau itself then implemented their terms as well.

¶4. (SBU) Rep. Faleomavaega asked Secretary Chan about the prospects for democratic development in Macau. Secretary Chan recalled that Macau had begun directly electing a third of its Legislative Assembly in 1979. Since the handover, that portion has expanded to twelve seats (ten are indirectly returned by economic and social sectors, and seven are appointed.) That number has held steady for the last eight years, Chan told the CoDel, because Macau has been focused on eliminating areas of election practice vulnerable to corruption. While Macau's Basic Law does not spell out the same path to universal suffrage as Hong Kong's, it does allow for amendments, and she expected the number of directly-elected seats would expand in future.

¶5. (SBU) Chairman Berman asked the Secretary about the rule of law, to which Chan replied that the five major legal codes -- commercial, criminal, criminal procedure, civil and civil procedure -- reflected the Portuguese legal tradition, maintaining an independent legal regime with which Macau people were "very comfortable." Responding to a question from the Chairman, she stated that the media remains free to criticize Beijing even under the terms of the new Law on Safeguarding National Security (i.e. Article 23 legislation).

¶6. (U) Participants:

United States

Chairman Howard Berman
Hon. Eni Faleomavaega
Hon. Ruben Hinojosa
Hon. Jack Kingston
Acting Consul General Christopher Marut
Consulate and Congressional Staff

Macau

Secretary for Administration and Justice Ms. Florinda Chan
MSARG Staff

¶7. (U) CoDel Berman cleared this message.
MARUT